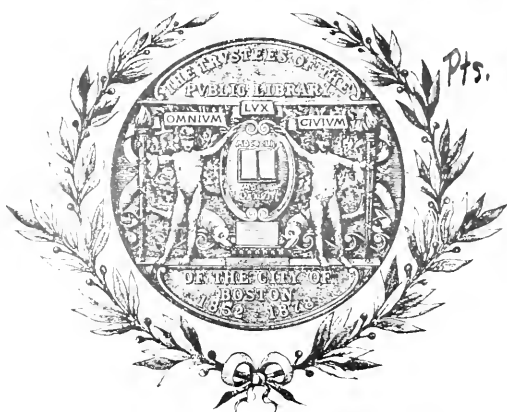


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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

HEARINGS

BEFORE THE

SELECT COMMITTEE

ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

EIGHTY-SIXTH CONGRESS

FIRST SESSION

PURSUANT TO SENATE RESOLUTION 221, 85TH CONGRESS,
AND SENATE RESOLUTION 44, 86TH CONGRESS

JANUARY 27, MARCH 10, APRIL 14, 15, AND JUNE 11, 1959

PART 50

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field



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UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1959

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR
MANAGEMENT FIELD

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RUTH YOUNG WATT, *Chief Clerk*

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EXHIBITS

	Introduced on page	Appears on page
61. Photographs of Benjamin Lapensohn on the beach at Nassau	18113	(*)
62. Post card addressed to Mr. Emerson C. Custis, Philadelphia, Pa., postmarked at Philadelphia, October 14, 1946	18115	(*)
62A. Letter dated October 12, 1946, addressed to Ben Lapensohn, Philadelphia, from Emerson C. Custis, president, Emerson C. Custis & Co.	18115	(*)
62B. Letter dated August 30, 1946, addressed to Ben Lapensohn, Philadelphia, from Emerson C. Custis, president, Emerson C. Custis & Co.	18115	(*)

THE COIN-OPERATED AMUSEMENT AND VENDING MACHINE INDUSTRY²

EXHIBITS

80A. Subpena No. L-5497, addressed to the Woodner, Washington, D.C., dated January 8, 1959	18122	(*)
80B. Subpena No. L-6667, addressed to the Woodner, Washington, D.C., dated March 11, 1959	18122	(*)

JAMES R. HOFFA AND THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, ALLEN M. DOREMAN AND PAUL J. DOREMAN³

EXHIBIT

228A. Memorandum dated December 11, 1958, to Robert F. Kennedy from Martin S. Uhlmann, concerning report submitted by Northeastern Life Insurance Co. of New York to the select committee (exhibit No. 228)	18125	(*)
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MAFIA⁴

EXHIBIT

1. Revised chart, "Partial Mafia (Syndicate) Relationship Study"	18127	18129
Proceedings of—		
January 27, 1959		18097
March 10, 1959 (2 meetings)	18099,	18117
April 14, 1959		18121
April 15, 1959		18125
June 11, 1959		18127

¹ See pts. 27 and 28 of the committee hearings.

² See pts. 46-48 of the committee hearings.

³ See pts. 36-40 and 43 of the committee hearings.

⁴ See pt. 32 of the committee hearings.

*May be found in the files of the select committee.

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, JANUARY 27, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES IN
THE LABOR OR MANAGEMENT FIELD,
Washington, D.C.

The select committee met at 10:50 a.m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska.

Also, present: Robert F. Kennedy, chief counsel; Pierre Salinger, investigator; Joseph F. Maher, investigator; Ruth Y. Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were: Senators McClellan, Ervin, Mundt, and Curtis.)

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, we have the attorney for Mr. James Blakely, who is the vice president of the Hotel and Restaurant Workers Union.

The CHAIRMAN. Counsel, identify yourself, please.

STATEMENT OF EDWARD J. CALIHAN, JR.

Mr. CALIHAN. My name is Edward J. Calihan, Jr., 105 West Adams, Chicago, Ill. I am a member of the bar of the Supreme Court of the State of Illinois and the U.S. Supreme Court.

I appeared before the committee last August at a time when Mr. Blakely had the heart attack which started out in the corridor here. He was removed, after consultation with a heart specialist here in Washington, removed to Chicago, here he was hospitalized for about 3 weeks.

Senator, I am not exactly certain on the time. I came here on another matter and Mr. Kennedy asked if I would step up and address the committee.

He remained at home until about in October-November under pretty much constant attention by the doctor, when he was permitted to go down to his office for about an hour a day, several days a week.

It appears that the International sent some trustees in who were going over matters revealed by this committee, and it was for the purpose of assisting them. He is not able to travel.

An electrocardiogram was taken, or to be taken, on the 23d when I received the telegram from Mr. Kennedy. At his request we accelerated another examination and the results of that examination were forwarded to this committee. I have advised Mr. Kennedy that if he should care to send anyone to check with the heart specialist in Chicago we would be happy to cooperate.

The CHAIRMAN. You are convinced that his condition is such that he should not be required to testify?

Mr. CALIHAN. I am, sir.

Mr. KENNEDY. Based on the report that was furnished to us, Mr. Chairman, as well as Mr. Blakely's age and general physical condition, we felt that he was in fact too ill to testify before the committee.

The CHAIRMAN. Do you have the documents?

Mr. KENNEDY. Yes, we do.

The CHAIRMAN. All right.

Mr. CALIHAN. Thank you.

(Whereupon, at 10:55 a.m., the committee proceeded to further business.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, MARCH 10, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD,
Washington, D.C.

The select committee met at 2:15 p.m., pursuant to Senate Resolution 44, agreed to February 2, 1959, in room 3302, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska; Senator Homer E. Capehart, Republican, Indiana.

Also present: Robert F. Kennedy, chief counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; John P. Constandy, assistant counsel; Robert E. Dunne, assistant counsel; Leo C. Nulty, investigator; John Flanagan, investigator; George L. Nash, investigator; Ruth Y. Watt, chief clerk.

The CHAIRMAN. The committee will come to order.

(Members of the select committee present at time of convening: Senators McClellan, Goldwater, and Capehart.)

The CHAIRMAN. Call the first witness.

Mr. KENNEDY. Mr. Chairman, we have about four different matters that we expect to go into this afternoon. The first witness is a witness that we have been searching for from about May of 1957, and we finally located him after some period of time that he spent abroad.

His name is Mr. Benjamin Lapensohn. He is from Philadelphia.

The first witness, Mr. Chairman, is Mr. Ben Lapensohn.

The CHAIRMAN. Mr. Lapensohn, come forward, please. Be sworn.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LAPENSOHN. I do.

TESTIMONY OF BENJAMIN LAPENSOHN, ACCOMPANIED BY COUNSEL, WILLIAM A. WHITESIDE, JR.

The CHAIRMAN. Please state your name, your place of residence, and your business or occupation.

Mr. WHITESIDE. Mr. Chairman, before the interrogation of Mr. Lapensohn begins, I would like at this time to renew a motion for a continuance of the proceedings pertaining to Mr. Lapensohn and

would like to expand, if I could, for a brief period on our reasons therefor.

The CHAIRMAN. Let the witness be identified and get the record started. Then the Chair will hear counsel.

Mr. Lapensohn, state your name, your place of residence, and your business or occupation, please.

Mr. LAPENSOHN. Benjamin Lapensohn, Merion, Pa.

The CHAIRMAN. Proceed. What is your business or occupation?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. You do what?

Mr. LAPENSOHN. I decline to answer.

The CHAIRMAN. Because of what?

Mr. LAPENSOHN. On the grounds that I am not required to give evidence against myself under the fifth amendment.

The CHAIRMAN. All right.

Mr. Counsel, you may identify yourself, please.

Mr. WHITESIDE. My name is William A. Whiteside, Jr., Mr. Chairman. I am a member of the bar of the Supreme Court of Pennsylvania. I am here as a member of the firm of Speiser, Satinsky, Gilliland, and Packel.

Under date of January 5, 1959, Mr. Packel sent a letter to the committee asking for a continuance in behalf of Mr. Lapensohn because Mr. Lapensohn's attorney, Mr. Raymond Speiser, had suffered a relapse. Mr. Speiser, as the committee knows, has been Mr. Lapensohn's attorney throughout these proceedings.

Also, the committee is aware of the fact that Mr. Speiser suffered a condition in the middle of December which required him being out of the office from that time until the present. Mr. Speiser and Mr. Speiser only is familiar with this particular matter, and nobody in our office has had an opportunity to look into the matter or to handle any of Mr. Lapensohn's matters.

We expected Mr. Speiser back in the office early last week, but unfortunately that weekend he suffered a relapse and was forced to be hospitalized. I think the timing here becomes important to the committee. We had already received notice for Mr. Lapensohn to appear here on the 10th of March.

We expected Mr. Speiser to be in the office and be down here. He then suffered a relapse and again we asked the committee to continue the proceedings. This was denied, of course. We feel that because of the seriousness of the situation, Mr. Speiser, the only one familiar with the case, should be the one to represent Mr. Lapensohn. Of course, that is Mr. Lapensohn's desire.

I was alerted to the fact that I would be down here only this past weekend. I do not know the file, did not know the matter. But we thought that the committee would give the continuance that was desired.

When it was denied, out of respect and courtesy to the committee we thought we should make an appearance and advise that we understand Mr. Speiser will be out of the hospital the latter part of this week. Of course, his type of illness requires some period of recuperation. For that reason, sir, we would respectfully request that the committee continue the matter for a period of 1 month so that Mr. Lapensohn could be represented by his own personal counsel.

The CHAIRMAN. What is your name?

Mr. WHITESIDE. William A. Whiteside, Jr.

The CHAIRMAN. You and Mr. Speiser are members of the same firm?

Mr. WHITESIDE. Yes, sir; that is right.

The CHAIRMAN. How long, Mr. Counsel, have we been seeking the testimony of this witness?

Mr. KENNEDY. Since approximately April of 1957, March or April of 1957.

The CHAIRMAN. Some 2 years?

Mr. KENNEDY. Yes.

The CHAIRMAN. Is there any further information you have regarding the counsel—Mr. Speiser?

Mr. KENNEDY. I might give a little background, Mr. Chairman. Mr. Lapensohn was being searched for by another congressional committee back in the late 1940's. He managed to avoid service of the subpoena by staying out of the State of Pennsylvania and was not called before that committee.

In February or March of 1957, shortly after this committee got started, we started looking for Mr. Lapensohn, to interview him in connection with improper activities in this field. He avoided the subpoena.

Then we understood that he had purchased tickets to go to Europe on the *Liberté*, with his family, so we sent an investigator to interview him at the boat and he was able to surreptitiously get aboard the ship and leave for Europe. He sent his family in one entrance and he took another entrance, so we were unable to get him there.

We sent notification to his attorneys, to him, for a period of some 14 or 15 months. He sent his family back from Europe but remained out of the country himself. We ultimately found him in Canada. We sent an investigator up there to interview him in Canada. He refused to answer any of the questions and refused to return to the United States.

The CHAIRMAN. He has been contacted by our investigators, as I understand it, in Canada, since he returned from overseas?

Mr. KENNEDY. He came back from overseas, but he went to Canada and he spent the rest of the time outside of the jurisdiction of this committee, outside of the United States.

The CHAIRMAN. Since he came back from overseas, members of the staff have undertaken to interrogate him in Canada?

Mr. KENNEDY. That is correct.

The CHAIRMAN. And he refused to cooperate?

Mr. KENNEDY. Yes, sir.

Ultimately we developed the information before the committee on his activities, including some activities up in New York City and New York State where he had been running some of these labor publications, Mr. Chairman. He had been running the one in Pennsylvania, the Pennsylvania State Federationist, which was supposedly a labor publication. He had been going around to employers, requesting that they submit ads or give ads to the publication, and suggesting that it would help them as far as labor peace is concerned. Then he had a New York operation of the same kind.

The CHAIRMAN. As I understand, that is already developed; that is in the testimony?

Mr. KENNEDY. That is right.

The CHAIRMAN. That is, in the sworn record that we already have?

Mr. KENNEDY. He received out of the New York one alone some \$914,000.

Mr. Chairman, based on our hearings, Mr. Lapensohn was indicted up in New York on 99 felony counts and 6 misdemeanors carrying a maximum possible punishment of 501 years. He is under those indictments at the present time, which arose out of the hearings that have been held before the committee.

I do not expect we will want to go into that matter in detail today, but we have many other matters we would like to ask about. That is the history.

About 2 months ago Mr. Lapensohn was to appear. He finally returned to the United States after the New York grand jury indicted him, and he was under force of extradition that he returned to the United States. He had to return to the United States.

He was subpoenaed at that time. Arrangements were made for him to appear before this committee in January, I believe, of this year. His lawyer got in touch with me and asked for a postponement of some 3 weeks on the ground that the lawyer was sick. We postponed it. He has been called now some 2 months later and this is the report that the partner is giving us.

The CHAIRMAN. Mr. Lapensohn, I asked you a few moments ago, among other things, your name, your address, and your place of business. You gave your name and your address, and you invoked the fifth amendment with respect to your business or occupation.

May I ask you: Do you intend to invoke the fifth amendment to all questions or pertinent questions that the committee may ask you?

Mr. WHITESIDE. I think Mr. Lapensohn, if I could answer somewhat for him, Mr. Chairman—

The CHAIRMAN. I am asking him.

Is it your purpose? You know this already. You have conferred with counsel enough to know whether it is your purpose to take the fifth amendment on everything. I am under the impression, from my observations and experience in this capacity, that when one takes the fifth amendment on his occupation or place of business, he intends, and they do, take it practically every other thing they are asked.

Is that your intention?

(The witness conferred with his counsel.)

The CHAIRMAN. Do you want to take the fifth on that?

Mr. LAPENSOHN. Would you excuse me a minute, Senator?

The CHAIRMAN. Yes. Consult your counsel.

(The witness conferred with his counsel.)

The CHAIRMAN. Is it your intention to take the fifth amendment on all pertinent questions that may be asked you regarding your actions?

Mr. LAPENSOHN. Mr. Chairman, I don't know what the questions are going to be and, therefore, I can't fully answer your question.

The CHAIRMAN. You can't answer it at this time.

Where were you born?

Mr. LAPENSOHN. Philadelphia.

The CHAIRMAN. Where?

Mr. LAPENSOHN. Philadelphia.

The CHAIRMAN. When?

Mr. WHITESIDE. Mr. Chairman, may we have a ruling on our motion, please, sir?

The CHAIRMAN. That is what I am trying to do—take a little testimony on the motion, to ascertain. I will say to you, counsel, we can save time if it is the purpose just to invoke the fifth amendment on all questions that may be asked relative to the subject matters that the committee is interested in, it will not be difficult for the Chair to rule on your motion.

Mr. WHITESIDE. May I say to the Chair that regardless of the statements of Mr. Robert Kennedy, the illness of Mr. Speiser is quite real, and I think the committee itself is quite aware of it.

Mr. KENNEDY. I don't question that.

The CHAIRMAN. I do not question that.

Mr. WHITESIDE. But on the other hand, I think he has a right to be represented by counsel of his own choosing, particularly when that counsel has handled this matter throughout its entire course. Whether or not Mr. Lapensohn intends to take the fifth amendment, I think, would depend primarily on the questioning. But I think the basic answer should be, Will the committee grant him this request, because it was made necessary by the relapse of his own counsel, which occurred quite recently.

Of course, we had no control over it. We certainly wish we did, of course.

The CHAIRMAN. How long has your firm been representing the witness?

Mr. WHITESIDE. For a number of years, sir. I do not know.

The CHAIRMAN. How many years?

Mr. WHITESIDE. I do not know.

The CHAIRMAN. In other words, your firm is regularly retained by him?

Mr. WHITESIDE. Yes, sir; and, as a matter of fact, I understand Mr. Speiser's father was regularly retained by Mr. Lapensohn.

The CHAIRMAN. Does any member of the committee have any questions?

The witness has failed to cooperate with the committee in the past. We have had a great deal of trouble. For 2 years we have been trying to have him available for testimony. When he was contacted, when we finally were able to find him, apparently he refused to cooperate, or didn't cooperate.

The information he has is of considerable importance. We have always, as we did in this case, the committee has always referred to these circumstances, continuances that arise, which are an inconvenience, or which work hardship on a witness or a counsel, has continued the hearing as to that witness. That we ordinarily do. But I feel in this instance, where a witness is apparently going to take the fifth amendment, it is a waste of the committee's time and an unnecessary expense of the Government simply to wait for his attorney to get well, especially when he has the benefit of counsel available to him here to make this motion, who is a member of the firm that he has regularly retained for many years.

So we will proceed with the interrogation of the witness.

All right, Mr. Counsel, proceed.

Mr. KENNEDY. Just to get some other dates straight, Mr. Chairman, his family returned from Europe in September of 1957. So they were all over from May 1957 to September 1957. We contacted him in Canada on October 24, 1957, at the Mount Royal Hotel in Montreal, Canada.

At that time, of course, he again refused to come back to the United States, and ultimately he returned, as I say, after he was indicted in the State of New York.

The CHAIRMAN. Mr. Lapensohn, are those statements true? Do you want to deny them, or do you admit that they are the facts?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. I am giving you the opportunity, if counsel is making any statement with reference to the committee's contact with you, or members of the staff, if he is making any erroneous statement about it, I am giving you the opportunity to correct it for the record.

Do you wish to make any corrections in the statement that counsel has made?

Mr. LAPENSOHN. I respectfully decline to answer the question because of the fifth amendment.

The CHAIRMAN. You can say no, you don't, or yes, you do. It wouldn't incriminate you. But at least the record shows you have been given the opportunity to correct it, if you desire to do so, any statement made by counsel.

When you are failing to correct it, the record will stand as it is.

(At this point Senator Goldwater left the hearing room.)

The CHAIRMAN. Proceed, Mr. Kennedy, with the interrogation.

Mr. KENNEDY. Mr. Chairman, our main interest in Mr. Lapensohn was his connection with the campaign of Mr. Ray Cohen for president of local 107 of the Teamsters in Philadelphia.

Mr. Ray Cohen, as you will remember, appeared before this committee and refused to answer any question on the grounds of self-incrimination. We developed the fact that some \$490,000 of union funds were completely unexplained by him, and no vouchers. There were checks to cash or checks to him on which there were no explanations, over a period of 3 or 4 years.

Mr. Cohen, since appearing before the committee and taking the fifth amendment, has been made an International trustee of the International Brotherhood of Teamsters, and is now one of the three International trustees in charge of making sure that all the funds of the union are kept honestly.

Mr. Lapensohn played a prominent role in Mr. Cohen being elected president of local 107 in 1954.

The CHAIRMAN. Let me ask Mr. Lapensohn if he is a member of any union.

Are you?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Have you been a member of any labor organization during the past few years?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Then, Mr. Chairman, there was a great deal of question as to who was financing the campaign in 1954, of Mr. Cohen. We have the testimony before the committee that at least part of that was financed by Mr. Lapensohn. Mr. Lapensohn at that time had some close associations with some of the employers in Philadelphia.

I would like to ask you if you, in fact, did finance a considerable part of the campaign of Mr. Cohen.

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Let me ask you this: Do you regard yourself as being in the field of management or employer, or do you regard yourself as being a laborer, in the field of labor?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Or are you a kind of a middleman, on either side, wherever it is convenient?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Mr. Chairman, in June of 1954, shortly after Mr. Cohen was elected secretary-treasurer of local 107, Mr. Lapensohn was placed on the payroll of the Teamsters local 107 as a business agent and received a salary of some \$10,000.

The CHAIRMAN. What date was that?

Mr. KENNEDY. June of 1954. He received \$400 a week, Mr. Chairman, as a business agent for local 107.

What services were you performing for local 107?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Were you at the same time connected with business, or the management side?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. So he received some \$400 a week salary plus his expenses. Then, Mr. Chairman, during the calendar year 1955, in addition to his regular salary and expenses, according to the records, he received a total of \$12,186.22.

The CHAIRMAN. That is over and above his salary?

Mr. KENNEDY. Yes. But under some questionable circumstances.

I would like to ask you about that extra \$12,000-plus that you received. Can you tell us about that, Mr. Lapensohn? That was 1955.

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. That was received from Local 107 in Philadelphia.

Mr. KENNEDY. Yes.

Now, Mr. Chairman, most all of the records for local 107 for this period of time in connection with these cancelled checks are still in existence. However, the \$12,000 that went to Mr. Lapensohn that I am speaking of, this special \$12,000, was in the form of some 13 checks. Ten of those thirteen checks are missing.

Could you tell us what happened in connection with those checks?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. That is about \$10,000 out of the \$12,000 where there is no explanation. All we can tell is that the money went to him. But the checks themselves had been torn out of the books and are now missing.

The CHAIRMAN. Mr. Lapensohn, any statement that is made by counsel which is inaccurate, or untrue, you have the privilege, if you care to, of denying it and setting the record straight. I do not want to put anything into this record that is false or untrue, certainly not without giving you the opportunity to refute it and to set the record straight if you desire to do so.

Bear that in mind. Any statement that counsel makes, if you want to interrupt and point out the inaccuracy of it, you are certainly welcome to do so.

Proceed.

Mr. KENNEDY. Mr. Chairman, on the salary that he received, it was not \$400 a week. It was \$200 a week.

The CHAIRMAN. So that was an error?

Mr. KENNEDY. Yes.

The CHAIRMAN. Anything else?

If we make one, we want to correct it. Will you help us correct any error we may make?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Chairman, they followed this procedure in local 107. The checks were endorsed and handed over to the parties, and after the checks were returned, they would scotchtape them back in the book. These checks had been scotch taped back in the book and then had to be torn out again. That is what I am asking about. What happened to those checks? Can you tell us anything about those?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Mr. Chairman, Mr. Lapensohn also was paying some of the bills out of his own bank account, paying some of the bills of other of the business agents and Teamster officials.

Is that correct?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. That was from 1954, after he was made a business agent, up to 1956 or 1957.

One of the items, Mr. Chairman, is in 1956, where Mr. Lapensohn took his own personal check for \$17,000, went down to the bank and purchased a cashier's check for \$17,000, which, in turn, was turned over to Mr. Cohen, who was secretary-treasurer of the union.

Mr. Cohen used that money as a downpayment on his boat.

Could you tell us about that? Where did you get the \$17,000, originally?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Mr. Chairman, then showing his tieup with management, we have on June 28, 1955, Mr. Lou Stein, who is president of the Food Fair Co., using a third party as an intermediary, sold Mr. Lapensohn 500 shares of Dan River Mills stock, having a market

value of \$15,000. He sold it to Mr. Lapensohn for \$10,000. This is Mr. Stein, who is president of the Food Fair Co.

Could you tell us why Mr. Stein would be willing to sell you stock that was worth \$15,000—why he was willing to sell you that stock for \$10,000?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

THE CHAIRMAN. Was that stock on the board at the time?

MR. KENNEDY. I believe it was. Yes, Mr. Chairman.

THE CHAIRMAN. As I understand, on the day the stock was sold by Mr. Stein, it was sold to Mr. Lapensohn, it was sold for about one-third less than it was actually selling for on the stock market that day. Is that correct?

MR. KENNEDY. Yes, Mr. Chairman.

THE CHAIRMAN. Is that correct, Mr. Lapensohn?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

THE CHAIRMAN. Just what were the arrangements about that? Why was it handled in that way, so that apparently there would be no profit made out of it? Can you tell us about that?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

MR. KENNEDY. At that time, Mr. Chairman, he was a union official. The transaction was handled through this intermediary by the name of Samuel Mandell. We have the documents in connection with it which have already been placed into the record.

THE CHAIRMAN. I hand you here first some shares of stock, five stock certificates. They have been made exhibit No. 60A, B, C, D, and E in these hearings. I will ask you to examine these stock certificates and state what you know about them.

It appears on the back of them that you endorsed and sold them.

Will you please examine the certificates and state if you identify them?

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

MR. KENNEDY. Mr. Chairman, could I fill in the details?

THE CHAIRMAN. While the witness is examining the stock certificates, you may.

MR. KENNEDY. The transaction, to refresh your recollection, was handled through this man Mandell. Mr. Mandell is a supplier of produce to the Food Fair Co. in Philadelphia. Mr. Mandell appeared before the committee and testified in substance that he had been requested by Mr. Stein, president of Food Fair, to handle this transaction; that the stock was sold to him; and that he in turn, transferred the stock to Mr. Lapensohn, Mr. Lapensohn receiving the \$15,000 worth of stock for some \$10,000. It was obviously handled in that fashion in order to cover up the transaction.

It appeared on the books originally as a transfer to Mr. Mandell. Actually, according to the testimony of Mr. Mandell, he just received it in order to transfer it to Mr. Lapensohn, who was then a union official.

THE CHAIRMAN. Have you examined the stock?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. The question was: Have you examined that stock that you hold in your hand now that you are looking at? Have you examined it?

Mr. LAPENSOHN. Yes, I have.

The CHAIRMAN. Fine. Thank you. Do you recognize it?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed, Mr. Kennedy.

Look on the back of it. Look on the reverse side. These are photostatic copies of the stock. See if you find your signature on it, please, sir. Look on the transfer certificate on the reverse side. Do you find your signature?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Mr. Chairman, to indicate that this was not just an isolated transaction, in October of 1955 the same company, Food Fair, some \$14,000 worth of Food Fair Properties bonds were sold to Mr. Lapensohn's brother-in-law, Jack Shore.

The CHAIRMAN. Is Jack Shore your brother-in-law?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. What is there about him? How long has he been your brother-in-law? How many years?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Is he married to your sister or did you marry his sister?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. How would that incriminate you?

Mr. LAPENSOHN. It might.

The CHAIRMAN. How?

Mr. LAPENSOHN. I respectfully decline—

The CHAIRMAN. If you are married to somebody's sister or he is married to your sister, that might incriminate you?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. If this man is not your brother-in-law, say so. I do not want to tie you up with somebody you will be ashamed of, or vice versa. I do not want to tie up somebody with you that might be ashamed of it, unless the record is true.

Is this your brother-in-law?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. I hand you here exhibit No. 59A and B, which appear to be two checks, photostatic copies of checks, one in the amount of \$10,000, and the other in the amount of \$1,000, and they are both, or one is dated in September and the other one in October 1955. Both are made payable to Jack Shore and both are signed, apparently, by Ben Lapensohn.

I will hand you that exhibit and ask you to examine it and state if you identify it.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Have you examined the exhibits?

Mr. LAPENSOHN. I have.

The CHAIRMAN. Whose name do you see on the check?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. They are photostatic copies of checks, are they not?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Your name is on there, is it not?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Did you not sign each of those checks, and is that not your signature that appears there, as the giver of the check?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. What is there about your transaction with your brother-in-law that might tend to incriminate you?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. May I ask you, so far, regarding these checks, if Mr. Kennedy has made any statement that is inaccurate or incorrect?

(The witness conferred with his counsel.)

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, on this second transaction—now we are talking about the Food Fair Properties bonds—these bonds were transferred to Mr. Jack Shore, Mr. Lapensohn's brother-in-law. The bonds at the time were worth \$14,000 and were transferred for \$10,000. We have exhibit No. 58 from the Food Fair Co. records, which shows under "D" suggested names of labor men for consideration in connection with Food Fair Properties, Inc., stock.

The first name on the list is Benjamin Lapensohn. Benjamin Lapensohn's name is crossed out and Jack Shore's name is substituted, Mr. Chairman.

It is of some interest, again, to show the efforts that were used by the Food Fair people to hide this transaction, that the stock was sold to Jack Shore and Mr. Lapensohn paid the money for the transfer of the stock and got the stock. The stock, in fact, went to Benjamin Lapensohn, although once again it went through an intermediary which in this case was Mr. Lapensohn's brother-in-law.

The CHAIRMAN. That is the second batch of stock?

Mr. KENNEDY. The second transaction, yes, sir. The first transaction of the Dan River stock went through Mandell and this one went through his brother-in-law.

The CHAIRMAN. I present you here what is a photostatic copy of a charge to a bank account showing that on the 23d day of June 1955 there was charged to your bank account \$10,000. This has been made exhibit No. 60-D. I present it to you and ask you to examine it and state if you identify it.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Have you examined the charge certificate?

Mr. LAPENSOHN. Yes, I have.

The CHAIRMAN. Will you identify it?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, that is two transactions. There was a third again by the same company, the Food Fair Co. which, according to the testimony, had a favorable contract with local 107 in connection with unloading. But in October of 1955, some 2,000 shares of Food Fair Properties common stock was sold, again through Jack Shore, the brother-in-law, to Lapensohn, for \$2,000. At the time of the transfer, the stock had a market value of \$8,000.

The CHAIRMAN. In other words, he only paid about one-fourth of what that was worth?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Have you any comment about that? Do you want to correct that statement in any way?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. This is the same brother-in-law involved in this transaction as was involved in the others; is that correct?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed.

Mr. KENNEDY. We have already had testimony, Mr. Chairman, that Mr. Lapensohn played a role in the negotiations of the contract on behalf of local 107 with Food Fair.

The CHAIRMAN. Which side were you working for when you helped negotiate that contract?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Mr. Chairman, I expect in view of the procedure followed in the past, and in view of the fact that Mr. Lapensohn has been indicted up in New York in connection with the embezzlement and larceny of the money up there with the New York magazine, the New York Federationist, that we will not go into that at this time.

The CHAIRMAN. Well, not unless Mr. Lapensohn would like to go into it. If he is indicted, we would not want to compel him to testify about matters that are pending in the nature of criminal proceedings. He knows what the record is here. I assume he is familiar with it. Unless he wants to make any correction in the record or straighten out any facts that he thinks may be inaccurate or untrue, we will not.

Mr. KENNEDY. May I summarize the information?

The CHAIRMAN. Summarize it briefly, and then if Mr. Lapensohn desires to comment or correct the record in any way, he may do so.

Mr. KENNEDY. Some \$1,167,637.33 was collected from 1949 to early 1958, when our investigation brought the operation to a halt; \$250,000 of this amount went to the union; \$914,000 went to Lapensohn.

The CHAIRMAN. What was that operation?

Mr. KENNEDY. This is called the New York Federationist.

The CHAIRMAN. This magazine?

Mr. KENNEDY. Yes: 44 percent, or about a half million dollars, was from firms which made contributions to the magazine but specifically requested that no ads be placed.

The CHAIRMAN. What was that?

Mr. KENNEDY. Almost a half million dollars of the money that was collected was made in contributions to the magazine from firms with the understanding that there would be no ad or no name placed in the magazine.

The CHAIRMAN. In other words, they paid as if they were buying advertising, but with the understanding that no ad would actually be published, identifying them with the publication?

Mr. KENNEDY. That is correct. There was one company, the Niagara-Mohawk Power Co., which paid some \$20,000 each year, even though an ad would only cost a couple of thousand dollars at the most.

Mr. Lapensohn, according to the testimony before our committee, diverted some \$156,000 of the money he was supposed to transmit to the labor organizations. We understand, and we are not certain of this, that Mr. Lapensohn has made restitution of some \$39,000 to the New York State federation.

Is that correct?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. You have heard these other statements about this magazine and so forth. Do you want to state whether you had any connection with the publication of this magazine in any way, or if you worked for anyone who did? Do you want to make any statement about that?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. You have heard the statement of counsel here that, according to the sworn testimony we have, a number of people would pay money as if purchasing an ad, in this magazine, but with the definite understanding that no ad was to be published. Do you know anything about that?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Of course, the suggestion was made that Mr. Lapensohn could get the federation of labor to lobby against certain matters being considered in the State legislature. In connection with that, the one I mentioned earlier, the Niagara-Mohawk Power Corp. of Syracuse, N.Y., advanced, through its president, Mr. Earl J. Machold, some \$93,000, of which, after it was split up, Mr. Lapensohn got \$84,750, and the State federation of labor got \$8,250. Or Mr. Lapensohn got 91 cents out of every dollar that was spent by the Niagara Co.

The CHAIRMAN. That would be a pretty good commission if true, would it not? Do you want to make any comment on that?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Chairman, he had a similar situation in Pennsylvania. It was called the Rolee Advertising Agency and the Penn-

sylvania State Federationist. During the period of 1946-54, they collected \$481,707.74.

Mr. Chairman, I stand corrected. During that period of 1946-54, he received in commissions—this is how much Mr. Lapensohn collected—some \$481,707.74. He hired individuals with criminal records—did you not, Mr. Lapensohn—to solicit from the employers? Is that right?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. For instance, Mr. Bogel, who worked for you, spent eight terms in the penitentiary as a confidence man. He was one of those that you hired to go around to employers to get ads. Is that right?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. We had a number of people appear before the committee and say that your solicitors called them and threatened labor difficulties unless they purchased an ad from you. Did you tell your people to do that?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. One of them testified that you did that, Mr. Burnet Landreth III, an official of Penn Manor, Inc., said that you threatened him with labor difficulty unless he took out an ad. Is that right?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. And then another instance was the Kingston Trap Rock Co. which paid \$3,000 to Sam Kirsch, one of your solicitors, of which \$1,000 was for an advertisement, and \$2,000 was insurance for labor peace. Can you explain that to us?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Was it in order to avoid answering any of these questions that you avoided the service of the subpoena of this committee for some year and a half?

(The witness conferred with his counsel.)

Mr. LAPENSOHN. May I consult again?

Mr. KENNEDY. Yes.

(The witness conferred with his counsel.)

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Where were you hiding? According to our information, you hid first in Europe, then in Canada, and then in Cuba; is that right?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. And also in Nassau, in the Bahamas. Is it not correct that you were trying to avoid an appearance before the committee? Is that right?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Do you know we sent an investigator to look into your activities in Nassau, in the Bahamas?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

Mr. KENNEDY. Do you know we have some pictures of you on the beach at Nassau?

The CHAIRMAN. Take a look at at these. I hand you a series of five pictures. I will ask you if you identify them as shown the place where you were when the committee was trying to find you.

(The photographs were handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you see anything in those pictures that is familiar to you?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. The other question was, I believe, if that was where you were when we were looking for you, or one of the places.

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Let the series of pictures be made exhibit No. 61.

(Photographs referred to were marked "Exhibit No. 61" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Exhibit No. 61 will be for reference only.

Mr. KENNEDY. Mr. Chairman, it was also of some interest that a House committee was looking for Mr. Lapensohn. It was in connection with the fact that a Teamster official by name of Al Goldberg, who was ultimately involved with Johnny Dioguardi in Local 102, was then head of Local 299 of the Teamsters. He was active in Philadelphia, in charge of the market area. He told a man who intended to build a new market that he could not do that, and ultimately the man was referred to Mr. Lapensohn. Mr. Lapensohn said he could build the market if he made a payment of some \$36,000 to Mr. Goldberg. Mr. Lapensohn was to make the arrangements. This was beginning to be developed by a House committee. Mr. Goldberg subsequently was convicted for labor racketeering, but Mr. Lapensohn avoided the service of the subpoena.

It is of some interest that Mr. Fischbach, who played some role in our investigation, Mr. Hyman Fischbach, was the counsel of that committee. When we began our investigation into Mr. Lapensohn, we received some of his files, and we found some of the records of the House committee in Mr. Lapensohn's personal files.

The CHAIRMAN. Did you get hold of some of the records of the House committee, Mr. Lapensohn?

Mr. LAPENSOHN. I beg your pardon. I did not hear you.

Mr. KENNEDY. It was a subcommittee of the Committee on Expenditures in the Executive Departments.

The CHAIRMAN. Did you get some of the committee records of the House Committee on Expenditures in the Executive Departments, a subcommittee thereof, that was making an investigation of this labor racketeering? Did you get hold of some of their official records and get them in your file?

Mr. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

The CHAIRMAN. Let us get the investigator up here.

Mr. KENNEDY. Mr. Nulty can testify.

The CHAIRMAN. Mr. Nulty, have you been previously sworn in this hearing?

Mr. NULTY. No, sir.

The CHAIRMAN. Be sworn.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. NULTY. I do.

TESTIMONY OF LEO C. NULTY

The CHAIRMAN. State your name, by whom you are employed, and in what capacity.

Mr. NULTY. My name is Leo C. Nulty. I am an investigator for this select committee.

The CHAIRMAN. How long have you been working for this committee?

Mr. NULTY. Since its inception.

The CHAIRMAN. In the course of your duties, did you have occasion to obtain certain files, personal files, belonging to Mr. Ben Lapensohn, the witness on the stand?

Mr. NULTY. Yes, sir, we did.

The CHAIRMAN. How did you obtain them?

Mr. NULTY. We subpoenaed them from his accountant who had them in his custody.

The CHAIRMAN. I hand you here three documents. One seems to be a post card, and the other seems to be photostatic copies of letters. I ask you to examine them and state what they are.

(The documents were handed to the witness.)

Mr. NULTY. The post card, Mr. Chairman, is a photostat of a post card addressed to Mr. Emerson C. Custis, northeast corner, Third and Walnut Streets, Philadelphia, Pa. It is postmarked at Philadelphia, October 14, 1946.

On the other side of the post card is printed in handwriting, this statement:

Any hour of day, Tuesday, October 22, 1946.

Thereafter, it is stamped like an ordinary rubber stamp with the name Ben Lapensohn, Market Street National Bank Building. There is a notation on here that this was exhibit No. 13 for the Committee on Expenditures in the Executive Departments.

The CHAIRMAN. What about the letter?

Mr. NULTY. The letter dated August 30, 1946, to Mr. Ben Lapensohn, from Mr. Emerson C. Custis, refers to the conversation which they had had the previous Monday. It says:

At both of these meetings I shall present your proposition as you request it, to be paid \$250 for each store that may be leased in the new Wholesale Produce Market and Trucking Terminal, to be erected along Oregon Avenue in our city. As 146 of these modern stores are contemplated, this will amount to \$36,500. While I am wondering how the RFC may take your proposition for labor protection, still I shall report to you as you requested upon my return from Washington.

Very truly yours,

EMERSON C. CUSTIS.

MR. KENNEDY. You can see, Mr. Chairman, he has been active in this field for many years. This was the payment.

THE CHAIRMAN. These are letters that had been made exhibits in the committee file, in the House committee?

MR. NULTY. That is correct, Mr. Chairman.

THE CHAIRMAN. And you found them as such, as exhibits from the committee's file, in his office?

MR. NULTY. We found them among the personal effects of Mr. Lapensohn, which we subpoenaed.

MR. KENNEDY. These are the letters which show Mr. Lapensohn's personal involvement in the shakedown in Philadelphia.

THE CHAIRMAN. First I will make the card exhibit No. 62 and then make the letters exhibits Nos. 62-A and 62-B.

(Post card referred to was marked "Exhibit No. 62"; letters referred to were marked "Exhibits Nos. 62-A, and 62-B," both for reference and may be found in the files of the select committee.)

TESTIMONY OF BENJAMIN LAPENSOHN, ACCOMPANIED BY COUNSEL, WILLIAM A. WHITESIDE, JR.—Resumed

THE CHAIRMAN. I will hand you now these exhibits, 62, 62-A, and 62-B, and ask you to examine them and state if you recognize them.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

THE CHAIRMAN. All right, Mr. Lapensohn. Have you examined the exhibits 62-A and 62-B?

MR. LAPENSOHN. Not fully. Just 1 minute.

(The witness conferred with his counsel.)

THE CHAIRMAN. All right. Have you finished examining the documents?

MR. LAPENSOHN. Yes, sir.

THE CHAIRMAN. The exhibits?

MR. LAPENSOHN. Yes, sir.

THE CHAIRMAN. Will you identify them?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

THE CHAIRMAN. Did you procure them or did they come into your possession through a Mr. Fischbach, formerly attorney for that House subcommittee?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

THE CHAIRMAN. You did not go to the committee files and take them out yourself; did you?

MR. LAPENSOHN. I respectfully decline to answer because of the fifth amendment.

THE CHAIRMAN. Is there anything further?

MR. KENNEDY. That is all.

THE CHAIRMAN. You will remain under your present subpoena, subject to being recalled for further testimony at such time as the committee may desire to hear further testimony from you.

Do you acknowledge that recognizance?

Mr. LAPENSOHN. Yes, sir.

The CHAIRMAN. Then you will be given notice of the time and place where the committee may want you to testify again, and you will respond thereto.

Mr. LAPENSOHN. Yes, sir.

The CHAIRMAN. Thank you. You may stand aside.

(Whereupon, at 3:40 p.m., the committee proceeded to further business. Members of the select committee present at this point were Senators McClellan and Capehart.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, MARCH 10, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D.C.

The select committee met at 3:40 p.m., pursuant to Senate Resolution 44, agreed to February 2, 1959, in room 3302, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Homer E. Capehart, Republican, Indiana.

Also present: Robert F. Kennedy, chief counsel; Paul J. Tierney, assistant counsel; Walter R. May, assistant counsel; John P. Constandy, assistant counsel; Robert E. Dunne, assistant counsel; Leo C. Nulty, investigator; John Flanagan, investigator; George L. Nash, investigator; Ruth Y. Watt, chief clerk.

The CHAIRMAN. The committee will come to order.

(Members of the select committee present at time of convening: Senators McClellan and Capehart.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Chairman, the next witness is on an entirely different matter. It will be a short witness. His name is Mr. John Minnich.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MINNICH. I do.

TESTIMONY OF JOHN MINNICH

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. MINNICH. John Minnich, cabinetmaker, New York.

The CHAIRMAN. A what?

Mr. MINNICH. Cabinetmaker.

The CHAIRMAN. Thank you. You waive counsel, do you?

Mr. MINNICH. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, Mr. Minnich is being called in connection with our investigation of the Carpenters Union, and Mr. Charlie Johnson specifically.

Mr. Minnich, how long have you been a cabinetmaker?

Mr. MINNICH. Well, I have been in it since I was 15; about 15 years now.

Mr. KENNEDY. And your family has been in it for a long period?

Mr. MINNICH. Yes.

Mr. KENNEDY. Your family owns the Minnich display at 503 East 72d Street; is that correct?

Mr. MINNICH. Yes.

Mr. KENNEDY. Were you performing in 1955—were you doing some work for Mr. Charlie Johnson, Jr.?

Mr. MINNICH. Yes. For whom?

Mr. KENNEDY. Mr. Charlie Johnson?

Mr. MINNICH. Yes.

Mr. KENNEDY. His name is Charlie Johnson, Jr. You were installing cabinets in an apartment that was owned by him; is that right?

Mr. MINNICH. Yes.

Mr. KENNEDY. And working on some closets; is that right?

Mr. MINNICH. Yes.

Mr. KENNEDY. Did you have any conversations with him in connection with the work that you were doing?

Mr. MINNICH. Only one.

Mr. KENNEDY. Would you relate what happened?

Mr. MINNICH. He called up and said that——

Mr. KENNEDY. Relate the whole conversation.

Mr. MINNICH. Mr. Johnson called and asked if I knew who he was, and I said, "No." He told me he was an official of the Carpenters Union, and that he wanted his work in by the date he moves into the apartment, and that if I did not install it by that date he would put a picket line around the shop.

The CHAIRMAN. Around your shop?

Mr. MINNICH. Yes.

The CHAIRMAN. In other words, if you did not get the work done by a certain date that he wanted it done, he would picket your plant?

Mr. MINNICH. Yes.

The CHAIRMAN. Saying you were unfair to labor, I guess.

Mr. MINNICH. Well, he said that he had fully investigated us.

Mr. KENNEDY. And knew that you were nonunion?

Mr. MINNICH. Yes.

Mr. KENNEDY. And if you didn't get the work done on his apartment, he was going to place a picket line around your shop?

Mr. MINNICH. Yes.

Mr. KENNEDY. Did you work extra hard to get it done?

Mr. MINNICH. I dropped everything else and speeded the work to get it in ahead of time.

The CHAIRMAN. You do not mean that he hired a nonunion cabinet-maker to make his cabinets, do you?

Mr. MINNICH. Well, his decorator did.

The CHAIRMAN. The decorator hired you and Johnson himself gave you the orders?

Mr. MINNICH. Yes.

Mr. KENNEDY. Who did you get paid by?

Mr. MINNICH. Johnson.

Mr. KENNEDY. He paid you himself?

Mr. MINNICH. Yes.

Mr. KENNEDY. Were you able to get it done in time?

Mr. MINNICH. Yes.

Mr. KENNEDY. Did you have to work overtime to make sure you got it done?

Mr. MINNICH. Yes. We worked overtime. It was the only time that my father ever had an accident on a machine.

The CHAIRMAN. Did you get paid for overtime?

Mr. MINNICH. No.

The CHAIRMAN. Did you say something about an accident?

Mr. MINNICH. Well, I was pushing him hard.

The CHAIRMAN. Your father?

Mr. MINNICH. Yes.

The CHAIRMAN. And what happened?

Mr. MINNICH. He had an accident on a machine.

The CHAIRMAN. He sustained personal injuries, do you mean?

Mr. MINNICH. Yes, because he was overdoing it. He worked too many hours and because he was overtired he injured himself.

Mr. KENNEDY. And you were able to get it completed earlier than necessary?

Mr. MINNICH. Yes.

Mr. KENNEDY. Did you ever have any trouble then from Johnson?

Mr. MINNICH. No, we had no trouble.

Mr. KENNEDY. This was in 1955.

Mr. MINNICH. Right.

Mr. KENNEDY. Are you still nonunion?

Mr. MINNICH. Yes.

Mr. KENNEDY. He paid you the money and that was the end of it?

Mr. MINNICH. Yes.

The CHAIRMAN. Are there any other questions?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. Thank you very much, Mr. Minnich.

Mr. Chairman, the previous witness cooperated with the committee, and I want to make sure that that was understood. Mr. Minnich has always cooperated with the committee. Sometimes because a witness appears before the committee, particularly a short one, the wrong inference might go out.

The CHAIRMAN. Mr. Minnich has certainly cooperated today.

(Members of the select committee present at this point: Senators McClellan and Capehart.)

(Whereupon, at 3:45 p.m., the select committee proceeded to further business.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, APRIL 14, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D.C.

The select committee met at 2:22 p.m., pursuant to Senate Resolution 44, agreed to February 2, 1959, in the caucus room of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Homer E. Capehart, Republican, Indiana; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Ruth Young Watt, chief clerk.

The CHAIRMAN. This next matter is not connected with the jukebox matter out in Detroit. It is a matter that is local. This part of the record will be kept separate.

Call the next witness.

Mr. KENNEDY. Mr. Jason.

TESTIMONY OF EDWARD JASON, ACCOMPANIED BY COUNSEL, JOSEPH M. WILLIAMSON

The CHAIRMAN. Will you be sworn?

Mr. KENNEDY. He has been sworn.

The CHAIRMAN. He was not sworn in public session.

Mr. KENNEDY. Yes, he was.

The CHAIRMAN. Mr. Jason, you will remain under the same oath as you took a few days ago. I was thinking you appeared in executive session, but you did not appear in public session?

Mr. JASON. Yes, sir.

The CHAIRMAN. The same oath will hold while you testify now.

Mr. KENNEDY. Mr. Chairman, we subpoenaed certain records which the witness has brought. Also, I would like to get this subpoena made a part of the record and also have these records identified which have been brought to the committee, have them identified by the witness.

The CHAIRMAN. I have before me a subpoena directed to the Woodner, Washington, D.C., and it is dated the 11th of March 1959. According to the return on it, it appears to have been served on Mr. Jason, manager, on the 11th day of March 1959.

I present this subpoena to you, Mr. Jason, and ask you to state if you received a copy of it, if a copy of it was served on you.

(Document was handed to the witness.)

The CHAIRMAN. Or you can state if the original of it was served on you.

Mr. JASON. Yes, sir, it was.

The CHAIRMAN. Thank you.

The subpoena will be made exhibit No. 80-B.¹

(Document referred to was marked "Exhibit No. 80-B" for reference and may be found in the files of the select committee.)

The CHAIRMAN. This subpoena calls for you to produce your records for the period from January 1, 1957, to the present time, including but not limited to, Frank Chavez and Jimmy Landriazini.

Also, all original records of local and long-distance calls charged to the hotel telephone, as well as the restaurant, valet, drugstore, and other charges made to all guests during this period.

Do you have those records in compliance with the subpoena?

Mr. JASON. Sir, as I understand it, we were complying with a prior subpoena dated April 2, that you asked me about in our previous public hearing.

The CHAIRMAN. You mean a later subpoena?

Mr. JASON. Yes, sir.

The CHAIRMAN. All right. The later one is dated April 2. That has been made exhibit No. 80 already in the record of the coin machine hearings. You are familiar with its directions, are you?

Mr. JASON. Yes, sir.

The CHAIRMAN. All right, and have you complied with the directive contained in that subpoena, Mr. Jason?

(The witness conferred with his counsel.)

The CHAIRMAN. Let the record show counsel appearing. I forgot to have that noted for record. He is the same counsel who appeared with Mr. Jason when he testified before in executive session last Friday.

Mr. WILLIAMSON. That is correct.

The CHAIRMAN. Let the record show that.

Mr. JASON. Supplementing the records that I previously brought, sir, I have these ledger sheets, and other records. The only respect in which we have not complied with the present subpoena would be our current records which we are now checking against our present telephone bills, and that will be finished by the end of this week and I will be glad to bring those in also.

The CHAIRMAN. And when that is done, that will be full compliance with the subpoena.

Mr. WILLIAMSON. May I consult with my client because I want to be certain it is accurate. We had an agreement with Mr. Bellino under which we brought down a listed number of named individuals, and you recall I said there are some 30 boxes of records, which you did not want, and we have to get together and make some mechanics by which you are going to go through those and is that understood with the committee?

¹ An earlier subpoena, No. L-5497, also addressed to the Woodner, was made an exhibit in an executive session of the select committee on Friday, April 10, 1959. The said subpoena was marked "Exhibit No. 80 A" for reference and may be found in the files of the select committee.

Mr. KENNEDY. Yes.

Mr. WILLIAMSON. Thank you very much.

The CHAIRMAN. So you are in the process of complying and you have these records here to deliver and present now to the committee?

Mr. JASON. Yes, sir.

Mr. KENNEDY. These are in compliance with the subpoena, those in the boxes?

Mr. JASON. Yes, sir, and other records hitherto presented to Mr. Bellino in addition to these present today.

The CHAIRMAN. Will you state briefly what these records are so that the clerk may give you a receipt for them accordingly?

Mr. JASON. These are all of the local telephone call records for the entire building, as I understand it, from January 1, 1958. This refers not merely to named individuals but all that we have.

The CHAIRMAN. All right. What else do you have there?

Mr. JASON. And I have here the ledger sheets and what are called folios for all persons named in the subpoena that we are replying to here today, except for any named individuals whom we have no record on, of whom I think there are three or four.

The CHAIRMAN. There are some three or four in the subpoena about whom you have no records?

Mr. JASON. That's right, sir.

The CHAIRMAN. I suppose that the documents you are turning over will indicate the three or four from which you have no records?

Mr. JASON. By process of elimination.

The CHAIRMAN. All right. Is there anything further?

The documents will be received and the clerk will be directed to issue a receipt for them.

Mr. KENNEDY. Mr. Chairman, could I just ask him to identify the names of the individuals for whom he has no records?

Mr. JASON. The names of the individuals are Max Stern, O'Rourke, John O'Rourke, and Browonick, and Provenzano.

Mr. KENNEDY. These are all of the other records you have?

Mr. JASON. Yes, we have either now or hitherto given to you.

Mr. KENNEDY. Thank you.

The CHAIRMAN. Is there anything further?

All right, sir. Thank you very much. The committee will take a 20-minute recess.

(Whereupon, at this time, the above-entitled matter was recessed and the committee proceeded to other business.)



INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, APRIL 15, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD,
Washington, D.C.

The select committee met at 12:03 p.m., pursuant to Senate Resolution 44, agreed to February 2, 1959, in room 3302, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, assistant counsel; John P. Constandy, assistant counsel; Arthur G. Kaplan, assistant counsel; Martin S. Uhlmann, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session: Senators McClellan and Ervin.)

Mr. KENNEDY. We also have here, Mr. Chairman, a statement by Mr. Martin Uhlmann, in connection with a statement that had been issued earlier in connection with the Dorfman's, which we would like to have made an exhibit for reference. We have had testimony in connection with it. It is in connection with another hearing.

The CHAIRMAN. Who procured it?

Mr. KENNEDY. Mr. Uhlmann.

The CHAIRMAN. That is in the other hearing.

That document will be made an exhibit with the next number.

(Document referred to was marked "Exhibit No. 228-A" for reference and may be found in the files of the select committee.)

The CHAIRMAN. The committee stands in recess, subject to the call of the Chair.

(Members of the select committee present at the taking of the recess were Senators McClellan and Ervin.)

(Whereupon, at 12:05 p.m., the committee recessed to reconvene subject to the call of the Chair.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, JUNE 11, 1959

U.S. SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD.
Washington, D.C.

The select committee met at 10:30 a.m., pursuant to Senate Resolution 44, agreed to February 2, 1959, in the caucus room, Senate Office Building, Senator Karl E. Mundt presiding.

Present: Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; La Vern J. Duffy, investigator; Richard G. Sinclair, investigator; James F. Mundie, investigator; John T. Thiede, investigator; Robert E. Manuel, assistant counsel; Ruth Y. Watt, chief clerk.

Senator MUNDT. The committee will come to order, please.

(Members of the select committee present at time of convening: Senators Mundt and Curtis.)

Senator MUNDT. Mr. Counsel, you may call the first witness.

Mr. KENNEDY. Mr. Chairman, we have an exhibit here in connection with a former hearing that I would like to have made a part of the record. It is self-explanatory.

Senator MUNDT. We will place in the record at the appropriate place exhibit No. 4, a partial Mafia relationship study corrected up to date.

(Corrected exhibit No. 4, replacing that found opposite p. 12496 in pt. 32 of the committee hearings, was marked for reference and will be found in the appendix on p. 18129.

(Members of the select committee present at this point: Senators Mundt and Curtis.)

(Whereupon the select committee proceeded to other business.)

APPENDIX

SENATE SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

ERRATA SHEET

It is requested that exhibit No. 4 found opposite page 12496, in part 32 of the printed hearings entitled, "Investigation of Improper Activities in the Labor or Management Field" be replaced with the attached corrected copy.

NOVEMBER 19, 1958.

18129

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